

**UK NATIONAL CONTACT POINT
FOR THE OECD GUIDELINES FOR
MULTINATIONAL ENTERPRISES**

Final Statement following
agreement reached in complaint
from WWF International against
SOCO International plc

JULY 2014

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Background

OECD Guidelines for Multinational Enterprises

1. The Guidelines are voluntary principles for responsible business conduct in areas including employment, human rights and the environment. As an OECD member government, the UK is required to maintain a National Contact Point (NCP) to promote the Guidelines and to consider complaints that multinational enterprises based in the UK, or operating there, have breached the Guidelines.
2. The UK NCP is based in the Department for Business, Innovation and Skills (BIS) and funded by BIS and the Department for International Development (DfID). A Steering Board including members from business, trade unions and civil society has general oversight of the NCP.

UK NCP complaint procedure

3. The UK NCP complaint process is broadly divided into the following key stages:
 - a) Initial Assessment - Desk-based analysis of the complaint, and the company's response to decide whether issues raised in the complaint merit further examination. Accepting issues for further examination does **not** mean the NCP considers that the company has acted inconsistently with the Guidelines;
 - b) Conciliation/mediation OR examination - If issues are accepted, the UK NCP offers conciliation/mediation to parties with the aim of reaching a settlement. If conciliation/mediation is declined or fails to achieve a resolution, the UK NCP examines the complaint further;
 - c) Final Statement – If a mediated agreement is reached, the NCP's Final Statement reports this. If the UK NCP examines the issues further, the Final Statement includes a clear finding as to whether the company breached the Guidelines with regard to the issues raised, and, if appropriate, recommendations to assist the company in making its conduct consistent with the Guidelines;
 - d) Follow up – where a Final Statement includes recommendations, or where an agreement between parties provides for it, the UK NCP approaches parties at a specified date to request an update. The NCP then publishes a further statement reflecting the parties' responses and any further conclusions of the UK NCP.

More details of the NCP's process and statements are at <https://www.gov.uk/uk-national-contact-point-for-the-organisation-for->

Complaint from WWF International and response by SOCO International plc

4. The UK NCP received WWF's complaint on 7th October 2013. It alleged that SOCO was conducting oil exploration activities in an area within the Virunga National Park in the Democratic Republic of the Congo (DRC), and that these activities were prohibited under international agreements and DRC law and risked adverse impacts on the local environment and local communities. WWF asked the UK NCP to "*facilitate a non-adversarial dialogue with SOCO to discuss how to bring the company's operations into line with the OECD Guidelines*" or, should dialogue not result in a mutually acceptable resolution, to "*assess the allegations, determine whether a breach has occurred and issue a final statement with recommendations as to how to improve the implementation of and compliance with the OECD Guidelines.*"
5. SOCO responded on 12th November 2013 and denied the allegations. The company said that its activities in the National Park were limited to environmental, scientific and social studies, including a seismic survey on behalf of the DRC government, and that these activities carried no significant risks of adverse impacts to the local area or communities. SOCO noted WWF's wider campaign against its activities, but said that it welcomed constructive engagement with WWF.

UK NCP process in this complaint

Initial Assessment

6. The UK NCP's Initial Assessment accepted for further examination issues under the following provisions of the Guidelines:

Chapter II General Policies

Enterprises should take fully into account established policies in the countries in which they operate, and consider the views of other stakeholders. In this regard: Enterprises should...

14. *Engage with relevant stakeholders in order to provide meaningful opportunities for their views to be taken into account in relation to planning and decision making for projects or other activities that may significantly impact local communities.*

Chapter IV Human Rights

States have the duty to protect human rights. Enterprises should, within the framework of internationally recognised human rights, the international human rights obligations of the countries in which they operate as well as relevant domestic laws and regulations:

5 Carry out human rights due diligence as appropriate to their size, the nature and context of operations and the severity of the risks of adverse human rights impacts.

Chapter VI Environment

Enterprises should, within the framework of laws, regulations and administrative practices in the countries in which they operate, and in consideration of relevant international agreements, principles, objectives and standards, take due account of the need to protect the environment, public health and safety, and generally to conduct their activities in a manner contributing to the wider goal of sustainable development. In particular, enterprises should:

2. Taking into account concerns about cost, business confidentiality, and the protection of intellectual property rights:

a) provide the public and workers with adequate, measurable and verifiable (where applicable) and timely information on the potential environment, health and safety impacts of the activities of the enterprise, which could include reporting on progress in improving environmental performance; and

b) engage in adequate and timely communication and consultation with the communities directly affected by the environmental, health and safety policies of the enterprise and by their implementation.

7. The Initial Assessment was published on 14th February 2014 at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/279543/bis-14-593-initial-assessment-by-the-uk-national-contact-point-for-the-oecd-guidelines-for-multinational-enterprises-complaint-from-wwf-international-against-soco-international-plc.pdf
8. On 7th March 2014, the NCP wrote to the parties noting public statements about the complaint and reminding parties about details of the NCP process. The NCP asked parties to ensure that their public statements accurately reflected these details, noting that inaccurate public statements can undermine the integrity of the NCP process by reducing the prospects of successful mediation. At the NCP's invitation, both parties published the NCP's letter on their websites.

Mediation

9. The UK NCP offered and both parties accepted mediation. The UK NCP appointed Dr Karl Mackie to serve as mediator. The parties met

together with the mediator in London on 28th May and again a few days later.

Outcome of the mediation

10. On 9th June, the parties informed the NCP that they had reached an agreement. The agreement was in the form of public statements that would be released on 11th June.
11. Parties shared the text of their statements with the NCP on 9th June, and the NCP advised them of the steps it would take to conclude the process (key points of this advice are reported at Paragraph 13.)

UK NCP Conclusions

12. The parties reached an agreement and this is recorded in their statements published on 11th June and attached at Annex A. to this Final Statement.
13. The NCP's report of the agreement in this Final Statement concludes the process and closes the complaint. The NCP will not make any further examination of the issues raised in the complaint and will not make any follow-up statement because the parties' agreement does not provide for this.
14. The NCP congratulates both parties for their engagement with the NCP process and their efforts in reaching an agreement.

JULY 2014

UK National Contact Point for the OECD Guidelines for Multinational Enterprises

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ANNEX A

Joint Statement by SOCO International PLC ('SOCO') and WWF

11 June 2014

WWF and SOCO have reached an agreement in relation to WWF's complaint to the UK National Contact Point ('NCP') under the Organisation for Economic Co-Operation and Development ('OECD') Guidelines for Multinational Enterprises.

On the basis that SOCO has agreed to issue and honour the statement set out below, WWF has agreed to stop further pursuit of its complaint.

Both parties look forward to working responsibly with the Democratic Republic of Congo (DRC) and its people to ensure that future development benefits both people and the environment.

Both parties would also like to thank the NCP for its work on this matter, and look forward to its statement in relation to this complaint.

Statement by SOCO International PLC

"In relation to Virunga National Park we will complete our existing operational programme of work in Virunga which we anticipate will conclude within approximately 30 days of the date of this statement. The company commits not to undertake or commission any exploratory or other drilling within Virunga National Park unless UNESCO and the DRC government agree that such activities are not incompatible with its World Heritage status.

SOCO commits not to conduct any operations in any other World Heritage site. The company will seek to ensure that any current or future operations in buffer zones adjacent to World Heritage sites, as defined by the national government and UNESCO, do not jeopardise the Outstanding Universal Value for which these sites are listed.

SOCO confirms that when we undertake environmental impact assessments and human rights due diligence, the processes we adopt will be in full compliance with international norms and standards and industry best practice, including appropriate levels of community consultation and engagement on the basis of publicly available documents."